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May 17, 1971

The Honorable Robert W. Scott  
Governor of North Carolina

GOVERNOR'S STUDY COMMITTEE ON

The Honorable  
Chairman of the Study Committee

STRUCTURE AND ORGANIZATION OF HIGHER EDUCATION

Gentlemen:

Submitted herewith is the minority report with respect to the matters covered by the Governor's Study Committee on Structure and Organization of Higher Education.

It is our considered opinion that a radical change in the structure of our system of public higher education -- particularly a change involving deconsolidation of the University of North Carolina -- would not be in the best interests of this State. The important considerations leading to this conclusion are set forth in the appended report.

**Minority Report**

It is our further opinion that the problems now confronting public higher education can be solved by structural change, by clarifying and improving the statutes relating to the State Board of Higher Education. The means for accomplishing this are described in our report.

Eight members of the Committee voted in the minority. All of them, but two, wished to express their views on this matter in writing. Those who join the undersigned in submitting this report are Mrs. Mahara B. Wooten and Messrs. The P. A. Davis, K. Davis, Clyde A. Shreve and Thomas J. White, Jr.

May 17, 1971

They join us in acknowledging the patience and courtesy of our able Chairman.

Respectfully,

Victor S. Bryant

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The Honorable Lindsay C. Warren, Jr.  
Chairman of the Study Committee

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### Appendix - Proposed Statutory Changes and Analysis Thereof

I. PROCEEDINGS OF THE WARREN COMMITTEE.

In January, 1971, Governor Scott announced the appointment of the Governor's Study Committee on Structure and Organization of Higher Education. This Committee was chaired by The Honorable Lindsay C. Warren, Jr., of Goldsboro, North Carolina. The Committee was composed of twenty-two members and the Chairman.

The University of North Carolina, which accounts for 56% of all students enrolled in the State's senior institutions of higher education, was represented by a seven-member Subcommittee from the Executive Committee of the University's Board of Trustees. The other public senior institutions, which in the aggregate account for 44% of the enrolled students, were represented by ten trustee members. The State Board of Higher Education was represented by five of its members.

The Committee held a total of eleven meetings, some lasting more than two days. The first was an organizational meeting. The next several meetings were devoted to an identification of the goals and problems of higher education in North Carolina.

During the course of those early meetings, it became evident that one group within the Committee was determined upon structural change which would deconsolidate the University of North Carolina. It became equally evident that another group within the Committee, convinced that the problems of higher education lay elsewhere, strongly favored preservation of the Consolidated University.

Faced with this situation, a suggestion was made that the chief administrative officers of the University of North Carolina



and the Board of Higher Education develop proposals for changes in the statutes relating to the powers and procedures of the Board of Higher Education. In response to this suggestion, proposals for changes in Article 16 of Chapter 116 of the General Statutes were developed jointly. They appear in the re-written version of Article 16 attached as the Appendix to this report.

The re-written Article 16 was submitted to a meeting of the Committee on April 3. After considering the matter, the members present voted, by 13 to 6, to accept that document as the recommendation of the Committee. Thereafter, the three persons absent from the April 3 meeting cast their votes against this proposal. This meant that initially the Committee had voted, by 13 to 9, to reject any structural change in higher education and to accept the revision of Article 16 as its recommendation.

Thereafter, for a period of three weeks, the Committee did not meet. The purpose of this interlude was to afford an opportunity for the drafting of a report setting forth the findings and recommendation of the Committee majority. The draft report was submitted to the Committee on April 23.

As it turned out, however, that report was not adopted. When the Committee reconvened on April 23, a motion to reconsider was adopted and a Regency plan was introduced. Two weekends later, the members of the Committee, by 13 to 8, voted in favor of the Regency plan. Five members, who voted on April 3 against

structural change and for the revision of Article 16, had changed their positions -- four by actual vote and one by abstention.

It became evident that a report reflecting the views of the majority and another report reflecting the views of the minority would be prepared for submission to the Governor.

## II. RECOMMENDED SOLUTION FOR PROBLEMS OF HIGHER EDUCATION.

### A. Identification of Problems.

One of the important tasks of the Committee was to identify the problems facing public higher education in North Carolina, and several of the Committee's early sessions were devoted to this subject. Although no statement of problems was adopted, it became apparent to the members of the Committee that there were three paramount problems to be faced.

In the draft report submitted to the Committee on April 23, those problems were described as following:

"\* \* \* Many viewpoints were expressed within the Committee, and while no statement of problems was adopted within the Committee, the following are believed to be the chief difficulties now facing public higher education:

"(1) The State Board of Higher Education has not been effective in carrying out its primary mission. This is attributable in the main to several reasons. In the first place, the present statutory powers of the Board limit its ability to plan and coordinate higher education in North Carolina. At times this has led to friction



and conflict between the Board and individual institutions. Furthermore, the General Assembly has not always looked to the Board for guidance. On occasions it has overridden decisions and recommendations of the Board when institutions have sought legislative redress. In addition, under our present system, there are other State agencies involved in making higher educational decisions with little, if any, involvement or participation by the Board. To state and recognize the problem is not to be construed as lack of confidence in the Board and its able and dedicated staff. In recent years with additional appropriations for staff and research, the Board has rendered outstanding service in many areas. Its rapport with the General Assembly has improved measurably; yet, it must be conceded that in its present posture, the Board does not have the authority or prestige to effectively cope with today's situation in higher education.

"(2) The problem of duplication and overlapping in graduate degree programs has been greatly exacerbated. In 1963, under the pyramid structure enacted into law upon recommendation of the Governor's Commission on Education Beyond the High School, only the University of North Carolina and its then three campuses was authorized to award the doctoral degree. Through legislation adopted by the 1969 General Assembly, all regional institutions \* \* \* will be legally authorized to award the doctoral degree in 1972, subject only to the prior approval of the Board of Higher Education. Thus, it can be seen that in the short period of six years, the concept of a pyramid structure has been completely abandoned in North Carolina. A proliferation of expensive, unneeded doctoral programs could be a tragic as well as costly mistake for the State. The dimensions of this problem can be seen when it is realized that the cost of doctoral programs often ranges from four to twenty times the cost of upper-level undergraduate programs.

"(3) Under our State budgetary system, each institution submits a separate budget to the Advisory Budget Commission and the General Assembly. At the present time, the Board of Higher Education does not have effective authority to review and coordinate the individual budgets of the institutions with each other and to relate those budgets to the educational needs and resources of the entire State. In fact, the Board is expressly prohibited from detailed budget review. The emphasis under the present system is on institutional needs which is not necessarily synonymous with statewide needs. \* \* \* Although budget review by the central office of the Consolidated University provides coordination for its six units, no educational agency has equal authority to coordinate the budget of the Consolidated University with the other ten institutions or theirs with that of the Consolidated University. The General Assembly, more than ever, needs the expert educational judgment



of an independent body to enable it to effectively perform its spending function. Too often in the past, appropriation decisions have been made on political rather than educational considerations. Anyone who has served in the General Assembly can attest to this fact.

"The above listing and identification of problems is not intended to be exclusive. To be sure, there are others. But at least a majority of the Committee believes these to be the major problems requiring thoughtful attention and action."

#### B. Recommended Solution.

Having identified these problems, the Committee was confronted with the question of whether the proper solution was to be found in structural change of the system of higher education or in modification of the powers and procedures of the Board of Higher Education.

At its meeting on April 3, a majority of the Committee voted against making any structural change and in favor of making the Board more effective.

The reasons for rejecting structural change were set forth at some length in the draft report submitted to the Committee on April 23. The pertinent portion of that draft report concluded as follows:

"Much of the Committee's time was spent in debating and deliberating the advantages and disadvantages of these various structural forms. Basically, the major issue to be resolved by the Committee was whether to recommend a structural change within the system. All of the plans listed above except Plan II(B) [the present arrangement in this State] would require major structural surgery in North Carolina. A majority of the members does not believe this to be necessary or desirable and recommends that the present structure be maintained, and that the Board of Higher Education be strengthened to enable it to become a more effective State-level coordinating body."

The draft report then went on to state the rationale for rejecting the various structural forms considered by the Committee. Among



other things, it stated:

"Born during the depression year 1931, the Consolidated University has operated well and successfully over the years. At least two of its campuses have achieved national and international reputations in many areas of academic achievement.

"\* \* \* Viewed from every angle, and on balance, a majority of the Committee does not believe a major structural change which would dismantle the Consolidated University is either wise or in the best interest of the State at this time. The consequences of such a major change could be far-reaching and the risks inherent in such a proposal cannot be accurately gauged."

The decision to reject structural change, reached by a majority of the Committee on April 3, was based on the realization that the problems of higher education, as set forth above, can be solved in a much easier and much less drastic way. It was recognized that these problems can be rectified simply by way of statutory changes giving the Board of Higher Education enlarged powers with respect to budget review and program control and making changes in the Board's composition.

The views on these matters, held by a majority of the Committee as of April 3, were set forth in the draft report submitted to the Committee on April 23. They were expressed in the following manner:

"Having rejected structural change, the Committee sought to find ways and means to strengthen the role of the Board of Higher Education. Expert opinion throughout the country is in agreement that state-level coordinating boards must perform program and budget review functions to be effective. While the extent of authority granted will vary from state to state, it is universally recognized that in the interest of efficiency and coordinated planning, there are legitimate and important interests that must be protected at the State level.

"\* \* \* It should no longer be debatable that budgets of individual institutions require review and coordination by a state-level educational body. Accordingly, the Committee recommends that the Board of Higher Education be given the power and duty to review and make recommendations relating to the budgets of all State-supported institutions of higher education \* \* \*.



"While this is basically a recommendatory power \* \* \* it is believed that if such power is vested in the Board of Higher Education, its recommendations would have great weight with the Advisory Budget Commission and the General Assembly. Both of these bodies need expert educational guidance upon which to base their spending recommendations. \* \* \*

"Likewise, the Committee recommends that no institution be permitted to request funding for, or offer instruction in, any degree program not previously offered by such institution unless and until approval to do so has been received from the Board. The program review function of the Board is vital and the language contained in the Committee's recommendation makes certain that the Board's authority in this area is final. Moreover, the Committee recognizes that after July 1, 1972, institutional pressure on the Board will increase for new degree programs. Because of this fact, an effort has been made to write into the proposed legislation provisions requiring the Board to follow the principle that there should be a 'careful limitation' on the entry into doctoral and post-baccalaureate professional education by institutions not previously engaged therein, on the entry to education at the master's level by institutions not previously engaged therein, and on the offering by an institution of any masters, doctoral, or post-baccalaureate professional degree program not previously offered by such institution. It is important to note that the term 'institution' as used in this section includes each of the component campuses of the University of North Carolina. Practically speaking, this means that the Board, in exercising its program review function, will be required to 'carefully limit' the entry into new [graduate] programs of the three non-doctoral awarding campuses of the Consolidated University on the same basis as institutions of like functions outside of the Consolidated University. The program review provisions will provide a rational approach to a complex situation. The educational effectiveness of new programs will depend to a large extent upon the wise and prudent use of this authority.

"The Committee further recommends that the composition of the Board of Higher Education be changed. This proposal will delete from ex officio membership on the Board the chairmen of the House and Senate Finance and Appropriation Committees. It does not seem appropriate that these officers, who also sit on the Advisory Budget Commission, should continue to serve on the Board, particularly if the Board is given the power of budget review. The Governor is continued as chairman of the Board, and the chairmen of the two legislative committees on Higher Education would continue to have ex officio membership. The at large membership appointed by the Governor would be increased from nine to twelve and trustee representation would be increased from six to eight. Three of the trustee members would come from the University of North Carolina. The other five would be elected on a rotating basis by and from the board of trustees of the regional universities and the North Carolina School of the Arts.



"A trustee member of the Board may not be a member of the General Assembly. Furthermore, the Governor may not appoint a trustee of an institution of higher education as an at large member. One of the at large members shall be appointed from the membership of the State Board of Education."

The foregoing views and recommendations still represent the position of the minority members for whom this report speaks. The recommendations afford an effective way of dealing with the problems of higher education without making drastic structural changes in our system. It remains to be stated what statutory changes are required for their implementation.

### C. Proposed Statutory Changes.

The means of implementing these recommendations are set forth in the Appendix to this report.

Two observations should be made concerning that Appendix. First, all of the proposed changes in G.S. 116-156, relating to the composition of the Board of Higher Education, were developed by the Committee at the meeting held April 3. Second, in response to suggestions made by members of the Committee at the meeting held April 3, a clarifying change has been made in the definition of the word "institution" as contained in G.S. 116-155, the word "non-public" has been used in lieu of the word "private" in G.S. 116-161, and former G.S. 116-166 has been deleted.

The proposed statutory changes, as set forth in the Appendix, relate principally to the composition, powers, and procedures of the Board of Higher Education. They are described in the attachment to the Appendix.

### III. REASONS FOR DISFAVORING THE REGENCY PLAN.

#### A. Outline of the Regency Plan.

The proposed Regency plan has two significant features. One is the establishment of a new coordinating body to take over the functions of the State Board of Higher Education. The other is the complete dismantling of the Consolidated University of North Carolina.

The new coordinating body would be called the Board of Regents of the University of North Carolina System and would be composed of one hundred members elected by the General Assembly and certain ex officio members, including the Governor who would serve as chairman. It would be required to meet three times a year. The Board would be authorized to appoint an Executive Committee of thirteen persons, including the Governor who would serve as Chairman. There would be a principal executive officer elected by the Board and designated as Chancellor.

Each of the sixteen public senior institutions of higher education would have a Board of Trustees and a President. The Board of Trustees for each institution would consist of twelve members appointed by the Governor plus the president of student government at that institution. This means that the nine Regional Universities and the School of Arts would continue to have their present structural and governing arrangements. On the other hand, the structural and governing arrangements for the six institutions comprising the Consolidated University would be completely dismantled.



B. The Regency Plan Is Destructive.

Adoption of the Regency plan would destroy the Consolidated University of North Carolina. That destruction would be total and complete.

(1) Its Board of Trustees -- unlike the Boards of Trustees of the Regional Universities -- would be dismantled.

(2) Its forty years of history, customs, and traditions -- as one of the Nation's first multi-campus universities -- would be abandoned.

(3) Its accumulation of policies, rules and regulations -- as recorded in its Minute Books -- would be discarded.

(4) Its Code Provisions -- carefully developed over many years -- would become meaningless.

(5) Its Office of General Administration -- presided over by one of the Nation's most eminent educators -- would be abolished.

(6) Its various University-wide bodies -- its Administrative Council, its Graduate Executive Council, its University Advisory Council, and its Consultative Committee -- would be disbanded.

(7) Its many interinstitutional activities -- developed through many years of creative effort -- would lose their institutional leadership.

(8) Its accumulated properties -- acquired from various sources over the years -- would be taken over by a body for which they were never intended.

But that is not all. In the process of destroying the Consolidated University, the Regency plan would attempt to transfer to the proposed new coordinating board the hard-earned prominence and prestige of a great University.

(1) The name "University of North Carolina" would be appropriated to the use of another body.

(2) The stature of a great educational institution would be assigned to a coordinating agency with only a modicum of academic responsibility.



In short, the Consolidated University -- after more than forty years of productive service to the people of this State -- would be brought to an end and stripped of its good name.

C. The Regency Plan Is Unnecessary.

Those who would thus destroy the Consolidated University have maintained that only by adopting the Regency plan can the problems of higher education be solved. This is not a valid contention.

The problems of higher education were identified by the members of the Committee, as outlined in Part II. A. of this report. Those problems were: (1) the present ineffectiveness of the Board of Higher Education, (2) the potential proliferation of graduate degree programs, and (3) the need for State-level review and recommendations with respect to institutional budget requests.

The solution of these problems does not, in any way whatever, require destruction of the Consolidated University.

The present ineffectiveness of the Board of Higher Education has resulted largely from two factors, which are readily identifiable and easily remedied. One is that the Presidents of the institutions have been frequently by-passed and oftentimes ignored by the Board and its staff. The other is that some of the statutory powers and duties of the Board -- particularly those relating to program control and budget review -- have been poorly conceived and badly worded. These factors have led to conflict and confusion.

This problem would be effectively solved by adoption of the statutory changes proposed in the Appendix to this report. Those changes would largely eliminate the sources of conflict and confusion that have marred the performance of the Board of Higher Education.



The problem of the potential proliferation of new graduate degree programs would be effectively dealt with by the provisions of Section 116-158(3) of the attached Appendix. Those provisions would give the Board of Higher Education effective control over all proposed new degree programs.

The need for effective budget review would be dealt with by the provisions of Section 116-158(7) of the attached Appendix. Those provisions would give the Board of Higher Education substantial new powers in this area. Among other things, the Board would be authorized and directed to report to all parties concerned, in a single comprehensive document, the Board's findings and recommendations relating to budget requests of all institutions, with special emphasis on requests for funding new programs and activities.

In short, the attached Appendix contains all that is required, in the way of statutory changes, to solve the problems of higher education.

Moreover, it is worth noting that the powers and duties proposed for the Board of Regents, under the plan entailing destruction of the Consolidated University, are not radically different from those proposed for the Board of Higher Education under the attached Appendix. To the limited extent that the powers proposed for the Board of Regents go beyond those proposed for the Board of Higher Education, they are unnecessary, unwarranted or unwise.

The Regency plan is not needed to solve the problems of higher education. The proposed destruction of the Consolidated University is, to say the least, unnecessary.

#### D. The Regency Plan Is Misdirected.

Informed citizens throughout North Carolina are well aware of the principal problem facing public higher education in this State. That problem



is the potential proliferation of expensive graduate degree programs which, if permitted to occur, will lead to a thin spreading of limited resources among numerous institutions with the inevitable result of educational mediocrity.

This problem does not arise from the Consolidated University. The hallmark of the University is the effective self-discipline that it has practiced in this respect. That self-discipline is effectively maintained through the Consolidated University's Graduate Executive Council. This University-wide body maintains close surveillance over every new graduate program proposed by the institutions within the University. Before any such program can be offered by one of these institutions, this Council must be satisfied not only that there is a justifiable need for the new program but also that it will meet the University's high standards of academic excellence.

The problem lies elsewhere. Its solution is not to be found in destruction of the Consolidated University.

To the extent that the problem is non-structural in nature, its solution is to be found in giving the Board of Higher Education control over all proposed new degree programs. That power is specified, in unequivocal terms, in Section 116-158(3) of the attached Appendix. It authorizes the Board of Higher Education not only to monitor closely the proposed new degree offerings of the Regional Universities but also to have the final word with respect to new degree programs of the institutions comprising the Consolidated University.

To the extent that the problem is structural in nature, the means for its solution are to be found in existing legislation. Enacted by the General Assembly



in 1967, G.S. 116-44.16 provides as follows:

"Not later than July 1, 1972, the State Board of Higher Education pursuant to this article shall study the effectiveness of the regional universities and their proper future role and status in the State system of public higher education, and shall make a report to the General Assembly setting forth its findings and recommendations on that subject. The study shall include, but not be limited to, consideration of the continuation of the existing arrangements, the establishment of a single board of trustees for all regional universities, and the conversion of one or more of the regional universities into campuses of the University of North Carolina."

The solution to the principal problem in higher education does not lie in dismantling that part of the State's system which has worked with efficiency and success. Rather, it lies in looking to the Board of Higher Education -- armed with the new powers specified in the attached Appendix and the existing authority already on the statute books -- to perform effectively the role expected of it.

E. The Regency Plan Is Misconceived.

The proponents of structural change within the Committee attempted to justify their proposal for destruction of the Consolidated University by contending that the Regency plan is an extension of consolidation or "reconsolidation". This is a misconceived notion.

The Consolidated University is a multi-campus university; the proposed Board of Regents is a coordinating board. These are different things, designed for different purposes, requiring different talents, and serving different ends.

The operation of a coordinating board is an exercise in control and containment through the use of power. The operation of a multi-campus university is an exercise in creativity and accomplishment through cooperative effort and institutional leadership.



Part IV of this report describes some of the many accomplishments of the Consolidated University over the last forty years. Those accomplishments have resulted from a type of guidance that could never be duplicated by a coordinating body. They have been made possible because the Consolidated University's administrative structure has been an integral part of the institutional life and development of its component campuses -- not some distant and disassociated state agency.

The proposed Regency plan would make coordination, not a means to an end, but an end in itself. Educational excellence and institutional leadership would be subordinated to the role and status of a coordinating body.

The accomplishments of the Consolidated University have required the exercise of self-discipline of course, but they have depended primarily upon a never-ending striving for new levels of academic quality and accomplishment in which faculty members, students, administrators and trustees have all been working partners. They have come about, not through the negative constraints of a regulatory body, but through positive efforts toward the excellence of the University, the quality of education for our children, and the enhancement of opportunity for service to our State.

The Board of Regents may imitate the composition of the Consolidated University's governing Board, it may even appropriate the University's good name, but it can never be what the Consolidated University is and can never do what the University does.

#### IV. IMPORTANCE OF RETAINING THE CONSOLIDATED UNIVERSITY.

##### A. Brief Description of the University and Services It Renders to the State.

The University of North Carolina consists of six campuses located



at Asheville, Chapel Hill, Charlotte, Greensboro, Raleigh and Wilmington.

It operates under statutory authority vested in one Board of Trustees, elected by the General Assembly, the President and the Chancellors for each campus.

Last fall 45,000 students enrolled, with young men and women from every county of the State in attendance. The faculty and staff number in excess of 12,000 persons. Its operations include sixteen agricultural research stations across the State, the Minerals Research Laboratory at Asheville, the Institute of Marine Fisheries at Morehead City, and many other permanent and continuing operations in North Carolina. Its biennial budget now exceeds 400 million dollars, less than half of which comes from State tax funds.

The University enrolls more than 50% of the student population in public senior institutions in the State. It carries the major responsibility for training many of the health personnel (doctors, dentists, pharmacists, public health officers, nurses) for North Carolina. Through Memorial Hospital it provides medical care for thousands of citizens. It operates and shares with the public schools the educational television system. Through the agricultural experiment stations and the agricultural extension service, it provides indispensable service to the farm population. It is now at work through institutes on highway safety, nutrition, water resources and conservation, pollution, the examination of the enormous potential of our coastal regions and the ocean, the provision of better health care and more health personnel, and many other areas of general public concern.

It provides direct services to public libraries in North Carolina and to the agencies of town, city, county and State government. It continues its inseparable association with the public school system of the State through constant liaison at all levels of the system.



In summary, the University of North Carolina carries more than half of the enrollment in public senior institutions of the State, provides all of the doctoral training offered and most of the professional training that occurs, operates many public service programs, the entire agricultural extension service and experiment station programs, and maintains and operates the Division of Health Sciences. The University, therefore, among the public institutions of the State, has been Legislatively assigned the responsibility for much more than half of the State's total effort in public higher education at the college and university level.

B. What the University Means to the State System of Higher Education.

The forceful leadership of Governor O. Max Gardner in bringing about the act of consolidation in the 1930's represented North Carolina's first manifestation of State policy for a better ordering of public higher education. The Governor considered this legislation his greatest achievement. The University he forged had a troubled childhood. But Governor Gardner persevered and the multi-campus University has grown in strength and stature.

Among others, Josephus Daniels, Clarence Poe, Major L. P. McLendon, Judge John J. Parker, John W. Clark, Mrs. Laura Cone and distinguished living members of the Board of Trustees, along with successive Governors and successive sessions of the General Assembly, brought the University through its first quarter century of growth and development. These men and women stood beside the first President of the University, Frank P. Graham, in welding the institution together. Under Gordon Gray, who succeeded Frank Graham as President, the development of the University continued and he, with the indefatigable William D. Carmichael, Jr., moved the University into greater and more comprehensive service to the State. During the last fourteen years, a period of enormous growth and expansion,



the Consolidated University, under the outstanding and inspired leadership of William C. Friday, has remained faithful to Governor Gardner's primary injunction that it be a vigorous, progressive and productive educational enterprise.

During the 1950's and the debate over the establishment of the Board of Higher Education, there was no legislation to inhibit the status and development of the University. In the early 1960's, the General Assembly, acting upon the recommendations of the Governor's Commission on Education Beyond the High School, established the University as the apex of the State's effort in public higher education and provided for its expansion and growth.

Thus, from the dream held by Governor Gardner in the 1930's down through the decades, guided and directed by the noble spirits of many distinguished citizens of this State, the University, at the close of the 1960's, was one of America's most distinguished universities.

Why has the Consolidated University succeeded?

There are a number of reasons.

(1) Certainly a primary achievement is the acknowledged quality and excellence of the older campuses and the strong academic guidance given the newer campuses at Asheville, Charlotte and Wilmington.

There is no need here to elaborate on the recent national ratings achieved by the Chapel Hill and Raleigh campuses in graduate education in America. Nor should space be taken to detail the careful development of graduate work at Greensboro. It is important, however, to point out that these achievements occurred because there exist within the University strong procedural safeguards and processes that insure qualitative standards through which all post-baccalaureate programs must pass. The application of these standards with supporting financial resources have made these achievements possible.



Dozens of individuals from the older campuses, enlisted by the University's top administrators, have spent hundreds of hours in planning and developing the programs of the newer campuses as these Legislatively authorized mergers took place. This sharing of experience and capability should continue.

The academic quality of the University is made secure through established allocation of functions and the utilization of complementary strengths among departments.

(2) The University has promoted specialization, cooperation and complementary development among its campuses in serving the State.

Beginning with the establishment of the Institute of Statistics under Dr. Graham, the University has sought to build on the historic mission of each campus and through union of effort bring about a level of achievement that could not be realized on one individual campus. Today, the Institute of Water Resources brings together the engineer, the biologist, the sanitation expert, the ecologist and public health personnel from several campuses. The Institute for Highway Safety unites the legal scholar, the civil engineer, the public health officer and other resource personnel from several campuses. The Institute on Nutrition, the Institute for Marine Sciences, the Environmental Institute and others similar in structure cut across campus lines to provide greater service to the State.

These programs rest on the fundamental decision made decades ago that the campuses at Raleigh, Chapel Hill and Greensboro would not engage in massive and total duplication; rather through its Board of Trustees and its single administrative structure, the University was to build toward excellence at each campus in its basic area of assigned academic activity. This fundamental achievement undergirds the great inter-campus developments which now serve the State so well.



(3) The University has achieved a high level of "quality control" that promotes standards and achievement.

No graduate study program is recommended to the Board of Trustees of the University without first having survived strong internal campus scrutiny and, thereafter, the examination and review of the University-wide Graduate Executive Council. Proposals have been turned down in this process; others have been referred for further development and review. Outside consultation and judgment are sought where necessary. These steps are taken because the faculties are concerned that there be no erosion in quality of programs and that the offerings of the University meet proper critical analysis.

The same care and judgment are exercised in faculty selection and promotion. Campus activities in these matters are reviewed by the President to insure continuance of the high standards the entire University has set for its teaching and research staff.

(4) Within limitations set by the agencies of State government, University business management has demonstrably improved budget preparation and presentation and brought about efficiencies in business management.

(5) The administrative structure of the University, operating under its Board of Trustees and a system executive working with individual campus executives, affords a realistic division of labor with concentration of administrative activity within and without each campus.

The organization of the administrative structure of the University enables each Chancellor to focus his concern on campus development while the President's office deals with matters of University-wide concern and the University's State government relationships. Effective coordination of these activities takes place through regular monthly meetings of all the senior officers of the University. The University Advisory Council composed



of sixty-six members from the six campuses provides effective liaison between these elected faculty officers and the senior administrators of the University. A University-wide Consultative Committee, composed of the student body presidents, the Executive Committee of the University Advisory Council and selected Trustees, affords the proper community forum for debate on University-wide issues.

(6) In the expansion of the University to six campuses, self-imposed discipline regarding campus development has been established.

The University, in developing new campuses at Charlotte, Asheville and Wilmington, has respected its long-range plan of internal development and publicly declared its intention of restricting post-baccalaureate programs and professional school development at these campuses until the need for such activity is clearly demonstrable on educational grounds and the needs of the State. Doctoral training is not contemplated in the foreseeable future at Asheville and Wilmington. The growth and development of the campus at Charlotte must rest on a sound undergraduate base with library, research and teaching facilities essential to a first-rate undergraduate program. Post-baccalaureate development here will have to meet the same tests applied on the campuses at Chapel Hill, Raleigh and Greensboro.

(7) The long-range expansion of the University in terms of enrollment growth is following the general pattern agreed upon by the internal process of the University and set forth in its long-range plan.

In September of 1970 the largest rate of enrollment growth took place on the newer campuses. This was according to plans developed by the University months ago. The growth of the campus at Chapel Hill is now regulated and an ultimate size is being established. Similar consideration



is being given to limits of size for North Carolina State. Often, applicants are referred to other campuses of the University, and this practice is growing. With the established pattern for transfer of credits among the campuses which assures appropriate levels of achievement, a student has a mobility that often enables him to study on more than one campus with some saving in cost. This is increasingly true during summer sessions.

(8) The University of North Carolina, through its unified structure, has shared the strength of its resources with its brother institutions and the community colleges.

Beginning with Frank Graham, the University has worked cooperatively with North Carolina Central University in building programs of graduate study, law, public health, education and other programs. It has also shared its experience with N. C. Agricultural and Technical State University in engineering and agriculture. Through extensive involvement with the faculties of the community colleges, solid relationships have been established between the faculties of basic disciplines (English, mathematics, etc.) of the University and the community colleges. There have been cooperative endeavors established with Fayetteville State University and other public institutions in North Carolina. These operations are handled through the President's office, and his staff give constant attention and direction to these undertakings.

(9) The academic achievements of the Consolidated University and the eminent position that it has attained among the leading universities of the Nation over the last forty years have endowed it with a priceless reservoir of good will that is reflected in the quality of faculty and students that it attracts and in the generous support that it receives from Federal grants and contracts, grants from foundations, and gifts from hundreds of private donors.



These accomplishments have been chronicled elsewhere in great detail.\*

Suffice it to quote from the preface of that work:

"The purpose of the record has been to show the major developments which have brought about the elimination or reduction of overlapping administrative and academic functions; the consequent economies which have been effected by the application of the principle of allocation of functions; and the growth of the University as a single, united institution staffed and equipped to serve North Carolina and the nation as a modern, high-ranking state university."

Even now, however, the Consolidated University is hardly past the threshold of its usefulness to the State. Having weathered the storms of depression and war during its first fifteen years and having coped successfully with the unparalleled growth of the last twenty-five years, it is now more than ever able to meet the needs of our people. Its potential for future service is enormous.

To destroy this great educational enterprise would be to deprive our citizens of one of their most valuable resources. To abolish the Consolidated University would be to take from our State one of its crowning achievements of the past and one of its brightest hopes for the future.

#### V. CONCLUSION.

We regret that it was not possible for the Committee to agree upon a plan to be presented to the Governor. Early in our deliberations it developed that a determined effort was on foot to deconsolidate the University of North Carolina.

This presented a deep cleavage -- one in which there was no middle ground. Either the Consolidated University would be retained or it would be destroyed. More specifically, there were repeated suggestions that the Legislatively authorized mergers with the Asheville, Charlotte and Wilmington campuses should

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\*Wilson, The University of North Carolina Under Consolidation, 1931-1963, History and Appraisal, 1964.



be rescinded and that these institutions should no longer be a part of the University of North Carolina. With this proposal we could not agree.

Constituted as it was, the Committee was hopelessly split. Seven of the twenty-two members were appointed from the Executive Committee of the Consolidated University. Five of the members represented the State Board of Higher Education. The other ten represented individual institutions, with two of these being also members of the Board of Higher Education.

In the final analysis two plans emerged.

One, known as the Regency plan, would have extensively restructured the State's educational system, including the deconsolidation of the University of North Carolina. This plan received thirteen votes.

Those of us who present this minority report could not support that plan:

It would have completely dismantled the Consolidated University of North Carolina.

It would have abolished the Consolidated University's Office of General Administration.

It would have set up a Board of Regents to take over the functions of the Board of Higher Education.

It would have set up a thirteen-man Board of Trustees for each of the sixteen State institutions, all to be appointed by the Governor, thus abolishing the power of the General Assembly to name the Board of Trustees responsible for governing the University of North Carolina.

The second plan, which we favored, would leave the State's educational structure intact with a restatement of the powers of the Board of Higher Education, which we believe would enlarge that Board's coordinating powers and would effectively eliminate present sources of confusion and conflict.



Eight of the members of the Committee voted for this plan.

The question is not what is best for the Board of Higher Education, or the University of North Carolina, or for any single institution. The primary question is what is best for the State of North Carolina.

One of the proponents of the Regency plan frankly wrote: "It is not modeled on the system of any other state." Our concern is that such an untried, unproven structure is no basis for the dismantling of an established, successful and nationally recognized multi-campus University. The structure that public higher education in North Carolina is to have must not become an end in itself; it must serve as a means to quality and excellence.

Our Consolidated University has stood the tests of forty years. Consolidation has been a success. It has been both praised and copied by educators in other states. We have suggested statutory changes which will improve our present system, and it is neither wise nor necessary to destroy the system in order to accomplish these changes.

It is clear to us that the plan which we present would be for the best interests of the State of North Carolina.



## APPENDIX

### PROPOSED AMENDMENT OF ARTICLE 16, CHAPTER 116, OF THE GENERAL STATUTES

(Deletions denoted by striking out; additions denoted by underscoring.)

#### ARTICLE 16.

##### State Board of Higher Education.

§ 116-154. Creation and purpose.--There is hereby created the North Carolina Board of Higher Education. The purpose of the Board shall be, through the exercise of the powers and performance of the duties set forth in this article, to plan and promote the development of a sound, vigorous, progressive, and coordinated system of higher education in the State of North Carolina. In pursuit of this objective the Board will seek the cooperation of all the institutions of higher education and of other educational agencies in planning and promoting a system of higher education that will serve all the higher educational needs of the State and that will encourage a high standard of excellence in all institutions composing the system, each operating under the direction of ~~its-own~~ their boards of trustees ~~in-the-performance-of~~ the-functions-assigned-to-it.

§ 116-155. Definitions.--As used herein in all sections of this article, except section 116-161:

"Board" ~~refers-to~~ means the North Carolina Board of Higher Education.

~~"Higher-education"--refers-to-all-educational-and-instructional-curricula and-services-in-the-university-system-and-the-senior-colleges-~~

"Higher education" means the teaching, research and public service programs of institutions of higher education.



"Institutions-of-higher-education"-and-"such-institutions"-refer-to all-senior-institutions-of-higher-education-now-existing-or-hereafter established-supported-wholly-or-in-part-by-direct-appropriations-of-the North-Carolina-General-Assembly,

"Institution" means an institution of higher education, now existing or hereafter established, which provides four or more academic years of instruction and awards baccalaureate or more advanced degrees and which is supported wholly or in substantial part by direct appropriations of the General Assembly; and, for the purpose of this definition, as used in this article, each of the component campuses of the University of North Carolina is to be considered an institution.

"Senior-colleges"-refers-to-all-State-supported-four-year-colleges, except-the-university-system;

"Presidents" means the President of the University of North Carolina, the Presidents of the Regional Universities, and the chief administrative officer of the School of the Arts.

§ 116-156. Membership;-appointment;-term-and-qualifications;-vacancies;--  
The-Board-shall-consist-of-twenty-two-citizens-of-North-Carolina;-one-of whom-shall-be-a-member-of-the-State-Board-of-Education-to-be-appointed-by the-Governor;-eight-of-whom-shall-be-appointed-by-the-Governor-to-represent the-public-at-large;-but-none-of-whom-shall-be-officers-or-employees-of-the State;-or-officers;-employees-or-trustees-of-the-institutions-of-higher education;-four-of-whom-shall-be-selected-by-the-boards-of-trustees-of-state-supported-senior-colleges;-and-two-of-whom-shall-be-selected-by-the-board-of trustees-of-the-University;-provided;-no-trustee-member-shall-be-a-member-of the-General-Assembly;--The-Governor-shall-serve-ex-officio-as-a-member-and



as-chairman-of-the-Board,--The-six-persons-who-are-the-chairmen-of-the committees-on-appropriations,--finance-and-higher-education-in-the-Senate and-House-of-Representatives-shall-serve-ex-officio-as-members-of-the-Board. The-four-senior-colleges,--whose-trustees-shall-select-one-of-their-members as-a-Board-member-to-serve-for-a-two-year-term,--shall-be-selected-by-the Governor-in-such-order-of-rotation-as-he-may-choose-every-two-years;--provided, that-the-right-of-selection-of-such-Board-member-shall-be-rotated-among-all institutions-equally.

Members-of-the-Board-other-than-the-six-selected-by-the-trustees-of institutions-and-the-ex-officio-members-shall-be-appointed-by-the-Governor for-terms-of-six-years,--except-that-of-the-first-Board-appointed,--three members-shall-serve-for-two-years,--three-shall-serve-for-four-years-and three-for-six-years,--Terms-of-all-members-of-the-first-Board-so-selected shall-commence-July-1,--1965,--The-term-of-each-of-the-six-ex-officio members-from-the-General-Assembly-shall-commence-with-his-appointment-to-the committee-chairmanship-and-shall-continue-until-his-successor-as-committee chairman-has-been-appointed.

All-memberships,--except-ex-officio-memberships,--shall-be-subject-to confirmation-by-the-House-of-Representatives-and-the-Senate-in-joint-session assembled,--The-Governor-shall-forward-all-appointments-to-the-General Assembly-before-the-fortieth-legislative-day-of-each-regular-session,--The Governor-shall,--without-such-confirmation,--appoint-members-to-fill-vacancies for-unexpired-terms.

Appointees-to-the-Board-shall-be-selected-for-their-interest-in-and ability-to-contribute-to-the-fulfillment-of-the-purpose-of-the-Board,--All members-of-the-Board-shall-be-deemed-members-at-large,--charged-with-the responsibility-of-serving-the-best-interests-of-the-whole-State.



Membership.--(a) The Board shall consist of twenty-three citizens of North Carolina selected as follows:

- (1) Twelve of the members, none of whom may be a trustee of an institution of higher education, shall be appointed by the Governor to represent the public-at-large and to serve for six-year, overlapping terms. One of the twelve shall be appointed from the membership of the State Board of Education.
- (2) Three of the members shall be elected by and from the board of trustees of the University of North Carolina to serve for four-year terms. At least two of the three shall be chosen from the membership of the Executive Committee of said board of trustees.
- (3) Five of the members shall be elected on a rotating basis by and from the boards of trustees of the regional universities and the North Carolina School of the Arts to serve for four-year terms. The Governor shall determine the order in which each of said boards of trustees shall be entitled to elect a member of the Board, provided that the right of election shall be rotated among the institutions equally.
- (4) The two chairmen of the Committees on Higher Education in the Senate and House of Representatives shall serve as members ex officio, the term of each to commence with his appointment to the committee chairmanship and to continue until his successor as committee chairman has been appointed.



(5) The Governor shall serve ex officio as a member and as Chairman.

(b) All memberships, except ex officio memberships, shall be subject to confirmation by the House of Representatives and the Senate. The Governor may, without such confirmation, appoint members to fill vacancies for unexpired terms, except that vacancies for unexpired terms of trustee members may be filled by the appropriate board of trustees without confirmation. All terms, except those of ex officio members, shall commence on July 1 of odd-numbered years. No member, except ex officio members, may be officers or employees of the State or of any institution of higher education. No member elected by a board of trustees may be a member of the General Assembly.

(c) All appointed and elected members of the Board shall be selected for their interest in, and their ability to contribute to the fulfillment of, the purposes of the Board. All members shall be deemed members-at-large, charged with the responsibility of serving the best interests of the whole State.

(d) All persons who are members of the Board as of June 30, 1971, shall be entitled to serve for the remainder of their elected or appointed terms, except that the terms of the four chairmen of the Committees on Finance and Appropriations in the Senate and House of Representatives shall expire on that date. The Governor shall appoint six members to represent the public-at-large for terms beginning July 1, 1971, one of whom shall serve for a two-year term, one for a four-year term and four for a six-year term. In subsequent odd-numbered years the Governor shall appoint four members-at-large, all for a full six-year term. One of the three members elected by the board of trustees of the University of North Carolina for terms commencing



July 1, 1971, shall be elected to serve for a four-year term and two shall be elected to serve for a two-year term. Three of the five members elected by the boards of trustees of the regional universities and of the North Carolina School of the Arts for terms commencing July 1, 1971, shall be elected to serve for a four-year term and two shall be elected to serve for a two-year term. The Governor shall determine which institutional boards of trustees shall elect members for the four-year term and which shall elect them for the two-year term. In subsequent years all of the eight trustee members of the Board shall be elected for four-year terms.

§ 116-157. Vice-chairman and secretary.--The Board shall elect annually from among its members a vice-chairman and a secretary.

§ 116-158. Powers and duties generally.--The Board shall have the following specific powers and duties, in the exercise and performance of which it shall be subject to the provisions of article 1, chapter 143 of the General Statutes except as herein otherwise provided:

- (1) The primary function of the Board of Higher-Education shall be to plan and promote ~~coordinate-the-major-educational functions-and-activities~~ a coordinated system of higher education in the State. ~~and-to-allot-the-functions-and activities-of-the-institutions-of-higher-education-in addition-to-the-purposes-specified-in-articles-1-and-2-of chapter-116-of-the-General-Statutes,--No-public-senior educational-institution-shall-request-from-the-General Assembly, the Advisory Budget Commission or any other State-agency-approval-of, or-funding-for, any-new-degree~~



~~program or educational function or activity until the same~~  
~~has been approved by the board of trustees of the~~  
~~institution and acted upon, in accordance with regularly~~  
~~established procedures, by the Board of Higher Education.~~  
~~The Board shall give the Governor, the General Assembly~~  
~~and the various institutions advice on higher education~~  
~~policy and problems.~~ To this end, the Board, in con-  
sultation with the Presidents, or their designated  
representatives, acting in accordance with  
authorization of their respective boards of trustees,  
shall prepare, and from time to time revise, a  
recommended long range plan for a coordinated system  
of higher education; and it shall supply copies of  
the same, and each revision thereof, to the Governor,  
the General Assembly, the Advisory Budget Commission  
and the boards of trustees of the institutions.

(2) The Board shall give advice and recommendations con-  
cerning higher education to the Governor, the General  
Assembly, the Advisory Budget Commission and the  
boards of trustees of the institutions.

~~(2)--In carrying out the duties prescribed in subdivision (1)~~  
~~hereof and subject thereto, the Board shall determine~~  
~~the types of degrees which shall be granted by each of~~  
~~such institutions.~~

(3) No institution shall request funding for, or offer instruction  
in, any bachelor's degree program, any master's degree



program, any doctor's degree program, or any post-baccalaureate professional degree program, not previously offered by such institution, unless and until approval to do so has been received from the Board. In deciding whether to give any such approval, the Board shall follow the principle that there should be a careful limitation (i) on the entry into doctoral and post-baccalaureate professional education by institutions not previously engaged therein, (ii) on the entry into education at the level of the master's degree by institutions not previously engaged therein, and (iii) on the offering by an institution of any master's, doctor's or post-baccalaureate professional degree program not previously offered by such institution.

{3} (4) The Board shall cause to be made such visits to the institutions as it shall deem necessary and proper in the performance of its duties. Visits to, or communications with, the institutions shall be made through the Presidents, or their designated representatives.

{4} (5) Subject to the requirements of subdivision (7), the Board shall prescribe uniform statistical reporting practices and policies to be followed by such the institutions where it finds such uniformity will promote the purpose of the Board.

~~{5}--Subject-to-the-provisions-of-subdivision-(1),-all-institutions~~



~~included in the State System of Higher Education shall conform to the educational functions and activities assigned to them respectively; provided, that the Board shall not require any institution to abandon or discontinue any existing educational functions or activities, if, after notice and hearing, the institution is not in agreement with the decision of the Board, until such decision is first recommended to and approved by the General Assembly.~~

(6) The Board shall have the power to recommend to the board of trustees of an institution the discontinuance, on at least one year's written notice, of any degree program of such institution that is not consistent with the recommended long range plan referred to in subdivision (1). The institution may, within sixty days of receipt of the notice, request a hearing by the Board on such recommendation.

~~(6)--Each institution shall furnish the Board a copy of its biennial budget requests and related data at the same time said requests are furnished to the Advisory Budget Commission.--The Board shall review the institutional budget requests to determine whether the same are consistent with the primary purposes of the institution and with the functions and activities allocated to the institution by statute or by the Board.--The Board shall concentrate on broad fiscal policy and avoid a line-by-line detailed review of budget requests.--The Board shall advise~~



~~the-Advisory-Budget-Commission-and-the-institution-of-any  
budget-requests-inconsistent-with-the-purposes-and  
allocated-functions-and-activities.~~

~~(7)--Any-requests-of-an-institution-for-transfers-and-changes-as  
between-objects-and-items-in-the-approved-budget-of-such  
institution-and-involving-the-establishment-of-new  
educational-functions-or-activities-shall-be-submitted  
to-the-Board-of-Higher-Education-for-review-to-determine  
the-compatibility-of-the-request-with-the-assigned-functions  
of-the-respective-institution.~~

(7) (a) The Board shall participate in the process of preparing  
the State Government budget by providing advice and rec-  
ommendations to the Director of the Budget, the Advisory  
Budget Commission, the General Assembly, and the Presidents.

(b) Each President shall furnish the Board a copy of such  
enrollment estimates as may be required by the Director  
of the Budget in the preparation of the State Government  
budget. The Board shall review the enrollment estimates  
for all institutions and report its findings and rec-  
ommendations to the Director of the Budget and to the  
Presidents.

(c) Each President shall furnish the Board a copy of  
all statements and estimates submitted to the Director of  
the Budget as required by the Executive Budget Act of  
departments and agencies asking State aid. The form in  
which the statements and estimates for current operations



and capital improvements relating to new educational programs, functions and activities is presented shall be prescribed by the Director of the Budget with the advice of the Advisory Budget Commission and the Board. The Board shall review the statements and estimates submitted by the Presidents, with special emphasis on the requests for funding new educational programs, functions and activities. The Board shall report its findings, in a single comprehensive document, to the Director of the Budget, the Advisory Budget Commission, and the Presidents not less than thirty days prior to the time of such public hearings as the Director of the Budget and the Advisory Budget Commission may hold in connection with the preparation of the budget. The report of the Board shall identify each new educational program, function or activity for which funding has been requested by each institution and shall indicate, with such explanation as it deems appropriate, whether the specific program, function or activity is in accordance with the recommended long range plan referred to in subdivision (1) and the degree programs approved pursuant to subdivision (3). The report shall also contain such general advice in regard to the budget requests of the institutions as the Board considers to be of value to the Director of the Budget, the Advisory Budget Commission, and the General Assembly in the preparation of the State Government budget.



(8) No institution shall establish a branch campus or any other permanent or semi-permanent center at which instruction for course credit is given, at a location different from that of its main campus, unless and until approval to do so has been received from the Board.

~~(8)~~ (9) The Board shall possess such powers as are necessary and proper for the exercise of the foregoing specific powers, including the power to make and-enforce such rules and regulations as may be necessary for effectuating the provisions of this article.

§ 116-159. Board's decisions limited by appropriations.--The exercise of the powers conferred on the Board and its decisions of an educational nature shall be made by the Board within the limits of appropriated funds and fiscal availability.

§ 116-160. ~~Hearings-concerning-proposed-action~~ Relationships with Presidents.--(a) There shall be a Council of Presidents and Chancellors, which shall act in an advisory capacity to the Board through its Director. Said Council shall rotate its chairmanship annually and determine its rules of procedure. The views of the Council regarding agenda items before the Board or other matters concerning higher education may be expressed through its chairman or other Presidents who may desire to be heard at meetings of the Board.

(b) Before final action is taken by the Board in the exercise of powers conferred by § 116-158, each of the pPresidents whose institutions would be directly affected and-such-persons-as-they-may-designate, or their designated representatives, shall,-upon-request, be given advance written notice of any



proposed action and be granted an opportunity to be heard concerning the such proposed action.

§ 116-161. Licensing of non-public educational institutions; regulation of degrees.--(a) No non-public educational institution created or established in this State after April 15, 1923, by any person, firm, organization, or corporation shall have power or authority to confer degrees upon any person except as provided in this section.

(b) The Board of Higher Education, under such standards as it shall establish, may issue its license to confer degrees in such form as it may prescribe to ~~an~~ a non-public educational institution established in the State after April 15, 1923, by any person, firm, organization, or corporation; but no non-public educational institution established in the State subsequent to that date shall be empowered to confer degrees unless it has income sufficient to maintain an adequate faculty and equipment sufficient to provide adequate means of instruction in the arts and sciences, or any other recognized field of learning or knowledge.

(c) All non-public educational institutions licensed under this section shall file such information with the Director of Higher Education as the Board of Higher Education may direct, and the said Board may evaluate any non-public educational institution applying for a license to confer degrees under this section. If any such non-public educational institution shall fail to maintain the required standards, the Board of Higher Education shall revoke its license to confer degrees, subject to a right of review of this decision in the manner provided in §§ 143-306 through 143-316 of the General Statutes.

(d) The State Board of Education shall have sole authority to administer and supervise, at the State level, the system of community colleges, technical



institutes, and industrial education centers provided in chapter 115A of the General Statutes, and shall regulate the granting of appropriate awards and marks of distinction by those institutions.

§ 116-162. Biennial reports.--The Board shall prepare and publish biennially a report to the Governor, the General Assembly, and such the institutions setting forth the progress, needs and recommendations of the Board.

§ 116-163. Office space; Director of Higher Education; review of actions of Director; other employees.--In order to effectuate the provisions of this article, the Board shall be furnished suitable quarters in Raleigh, and shall, subject to the approval of the Governor, appoint a full-time Director of Higher Education. The salary of the Director of Higher Education shall be fixed by the Governor subject to the approval of the Advisory Budget Commission. The Director of Higher Education shall have training and experience in the field of higher education and shall be well qualified to serve as the Director of a State System of Higher Education as contemplated by this article. The Director of Higher Education shall be responsible to the Board and shall perform such duties and exercise such powers as shall be prescribed by the Board. Any institution aggrieved by any action of the Director of Higher Education shall, upon request, be afforded an opportunity to be heard by the Board with respect thereto. The Director, with the approval of the Board, may appoint such advisory committees as may be deemed necessary or desirable. The Board shall, within the limits of funds provided by law, appoint such professional staff members as shall be sufficient to carry out the provisions of this article, whose salaries shall be fixed by the Governor subject to the approval of the Advisory Budget Commission, and such other necessary employees who shall be



subject to the provisions of article 2, chapter 143 of the General Statutes.

§ 116-164. Compensation and expenses of members.--Members of the Board shall receive no compensation for their services other than such per diem allowances and such allowance for travel expenses as shall be provided in each biennial Appropriation Act for such members.

§ 116-165. Necessary expenditures to be provided for in budget.--The necessary expenditures of the Board shall be provided for in a budget subject to the terms of article 1, chapter 143 of the General Statutes.

~~§ 116-166.--Recommendations concerning employment of persons by institutions prohibited.--No member or employee of the Board shall make any recommendation concerning the prospective employment of any person by any of such institutions.~~

§ 116-167 166. Control over institutions by boards of trustees.--The various boards of trustees of the institutions ~~of higher education~~ shall continue to exercise such control over the institutions as is provided by law, subject only to the North-Carolina Board ~~of Higher Education~~ within the limits of its jurisdiction as herein specified. It is not intended that the trustees of such the institutions shall be divested of any powers or initiative now ~~existing~~ with reference to the ~~internal~~ affairs of such institutions, except to the extent that same are affected by the Board's exercise of the powers and performance of the duties specified in this article.



## ANALYSIS OF PROPOSED STATUTORY CHANGES

The proposed statutory changes, as set forth in the Appendix, relate principally to the composition, powers, and procedures of the Board of Higher Education. They are as follows:

### (1) Composition of the Board (G.S. 116-156)

The Board is presently composed of twenty-two members, including the Governor who serves as chairman. Nine members, including one from the State Board of Education, are appointed by the Governor. Six are ex officio members from the General Assembly, these being the chairmen of the committees on appropriations, finance and higher education in the Senate and House. The other six are selected by boards of trustees, four by trustees of Regional Universities and two by trustees of the University of North Carolina.

The number of ex officio members from the General Assembly would be reduced from six to two. The chairmen of the two Legislative committees on higher education would continue to have ex officio membership, but the chairmen of the Senate and House committees on appropriations and finance would cease to be members.

The number of members appointed by the Governor would be increased from nine to twelve, one of whom would be appointed from the membership of the State Board of Education. None of the gubernatorial appointees could be a trustee of an institution of higher education. Appointees of the Governor would be named to serve for six-year overlapping terms.

The number of trustee members on the Board would be increased from six to eight, and they would serve for staggered four-year terms. To insure a broader representation on the Board from trustees of the Regional Universities and the School of the Arts, the number of Board members selected by trustees of those institutions would be increased from four to five. To keep such increase from being disproportionate, the number of Board members selected by trustees of the University of North Carolina would be increased from two to three.

These changes would result in a Board composed of twenty-three members: the Governor and twelve members appointed by him, two ex officio members from the General Assembly, and eight members selected by trustees of the institutions.

### (2) Powers of the Board (G.S. 116-158)

The recommended changes involved in this section relate principally to the Board's powers with respect to planning, program control, and budget review.



Under the proposed restatement of the Board's powers, the primary function of the Board would be "to plan and promote a coordinated system of higher education in the State." To this end, the Board would prepare, and from time to time revise, a recommended long range plan for such a system. The Board would also give advice and recommendations concerning higher education to the Governor, the General Assembly, the Advisory Budget Commission, and the boards of trustees of the institutions.

In the area of program control, the proposed restatement of the Board's powers would provide that no institution could request funding for, or offer instruction in, any degree program (whether at the bachelor's, master's, doctor's, or post-baccalaureate professional level), not previously offered by such institution, without approval from the Board. In deciding whether to give any such approval, the Board would be required to follow the principle that there should be "a careful limitation" on the entry into doctoral and post-baccalaureate professional education by institutions not previously engaged therein, on the entry into education at the master's level by institutions not previously engaged therein, and on the offering by an institution of any master's, doctor's or post-baccalaureate professional degree program not previously offered by such institution.

The Board would have two additional powers with respect to programs and activities of the institutions. It could recommend to the board of trustees of an institution the discontinuance, on at least one year's notice, of any degree program of such institution not consistent with the Board's recommended long range plan for higher education. No institution could establish a branch campus or other center at which instruction for course credit is given, at a location away from its main campus, without approval from the Board.

With respect to budget review, the proposed restatement of the Board's powers would cover three areas. First, provision would be made for the Board's participation in the process of preparing the State budget by giving advice and recommendations to the Director of the Budget, the Advisory Budget Commission, the General Assembly, and the Presidents of the institutions. Second, each President would furnish the Board a copy of any enrollment estimates required by the Director of the Budget, whereupon the Board would review such estimates for all the institutions and report its findings and recommendations to the Director of the Budget and the Presidents. Third, each President would furnish the Board a copy of all budget statements and estimates required to be submitted to the Director of the Budget, whereupon the Board would review such statements and estimates, with special emphasis on requests for funding new educational programs and activities, and would report its findings, in a single comprehensive document, to the Director of the Budget, the Advisory Budget Commission, and the Presidents prior to any public budget hearings. The latter report of the Board would identify each new educational program or activity for which funding is requested and would indicate,



with any explanation deemed appropriate, whether such program or activity accords with the Board's recommended long range plan and the degree programs approved by the Board. Such report would also contain such general advice in regard to the budget requests of the institutions as the Board considers to be of value to the interested parties.

### (3) Procedures of the Board (G.S. 116-160 & 116-158)

The recommended changes in the Board's procedures are designed to accomplish two purposes. One is to give the Presidents of the institutions a larger measure of participation in the affairs of the Board. The other is to make the relations of the Board and its staff with the Presidents more harmonious.

In its existing form, G.S. 116-160 provides that the Presidents shall, upon request, be granted an opportunity to be heard concerning a proposed action before final action is taken by the Board. However, no provision is now made for notice to the Presidents concerning such proposed actions. This would be rectified by adding a new provision requiring that each of the Presidents whose institutions would be directly affected be given advance written notice of any proposed action by the Board.

G.S. 116-160 would be further modified by adding a new subsection giving statutory recognition to a Council of Presidents and Chancellors, which would act in an advisory capacity to the Board through its Director. Under the provisions of this new subsection, the views of the Council regarding agenda items before the Board or other matters concerning higher education could be expressed through its chairman or other Presidents who might desire to be heard at meetings of the Board.

Reference has been made to a proposed new provision in G.S. 116-158 which would require the Board to prepare and keep up-to-date a recommended long range plan for higher education. Included therein would be a requirement that preparation and revision of such plan be accomplished in consultation with the Presidents.

There is now contained in G.S. 116-158 a provision authorizing the Board to cause visits to be made to the institutions. This would be modified by requiring that visits to, or communications with, the institutions be made through the Presidents or their designated representatives.

### (4) Other Changes

G.S. 116-166 prohibits members or employees of the Board from making any recommendation concerning the prospective employment of any person by any of the institutions. It is proposed that this section be deleted.



A number of editorial changes in the statutes relating to the Board are also proposed. One relates to changes in the definitions of terms used in these statutes, the principal such change being the proposed elimination of the term "senior colleges" which would be replaced by references to the Regional Universities. Other editorial changes are proposed for the purpose of clarifying and up-dating the language of these statutes.



